



PRESS RELEASE

Federal Deposit Insurance Corporation • Each Depositor insured to at least \$250,000

FOR IMMEDIATE RELEASE
December 17, 2010

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Southern Bank, Poplar Bluff, Missouri, Assumes All of the Deposits of First Southern Bank, Batesville, Arkansas

First Southern Bank, Batesville, Arkansas, was closed today by the Arkansas State Bank Department, which appointed the Federal Deposit Insurance Corporation (FDIC) as receiver. To protect the depositors, the FDIC entered into a purchase and assumption agreement with Southern Bank, Poplar Bluff, Missouri, to assume all of the deposits of First Southern Bank.

The two branches of First Southern Bank will reopen during normal business hours beginning Saturday as branches of Southern Bank. Depositors of First Southern Bank will automatically become depositors of Southern Bank. Deposits will continue to be insured by the FDIC, so there is no need for customers to change their banking relationship in order to retain their deposit insurance coverage up to applicable limits. Customers of First Southern Bank should continue to use their existing branch until they receive notice from Southern Bank that it has completed systems changes to allow other Southern Bank branches to process their accounts as well.

This evening and over the weekend, depositors of First Southern Bank can access their money by writing checks or using ATM or debit cards. Checks drawn on the bank will continue to be processed. Loan customers should continue to make their payments as usual.

As of September 30, 2010, First Southern Bank had approximately \$191.8 million in total assets and \$155.8 million in total deposits. Southern Bank paid the FDIC a premium of 0.25 percent to assume all of the deposits of First Southern Bank. In addition to assuming all of the deposits of the failed bank, Southern Bank agreed to purchase approximately \$152.8 million of the failed bank's assets. The FDIC will retain the remaining assets for later disposition.



Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. It promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars — insured financial institutions fund its operations.

FDIC press releases and other information are available on the Internet at www.fdic.gov, by subscription electronically (go to www.fdic.gov/about/subscriptions/index.html) and may also be obtained through the FDIC's Public Information Center (877-275-3342 or 703-562-2200). PR-275-2010

Customers who have questions about today's transaction can call the FDIC toll-free at 1-800-331-6306. The phone number will be operational this evening until 9:00 p.m., Central Standard Time (CST); on Saturday from 9:00 a.m. to 6:00 p.m., CST; on Sunday from noon to 6:00 p.m., CST; and thereafter from 8:00 a.m. to 8:00 p.m., CST. Interested parties also can visit the FDIC's Web site at <http://www.fdic.gov/bank/individual/failed/firstsouthern.html>.

The FDIC estimates that the cost to the Deposit Insurance Fund (DIF) will be \$22.8 million. Compared to other alternatives, Southern Bank's acquisition was the least costly resolution for the FDIC's DIF. First Southern Bank is the 156th FDIC-insured institution to fail in the nation this year, and the first in Arkansas. The last FDIC-insured institution closed in the state was ANB Financial, NA, Bentonville, on May 9, 2008.
